

United Nations Global Compact Communication on Progress (COP) – Year 5



April 2015



Table of contents

Letter of Commitment02

COP Road Map03

GHD 2014 Annual Review04

GHD 2014 Sustainability Report05

Policies06

 Integrity12

 Quality12

 Risk13

 HealthSafety&Environment(HSE).....13

 Sustainability.....14



Letter of commitment

United Nations Global Compact (UNGC)

Communication on Progress (COP) – Year 5 – March 2015

Our fifth year as a signatory of the UNGC is now complete and we would like to take this opportunity to communicate our progress across our broad range of global stakeholders.

While we continue on a path of discovery to better understand how we can grow and strengthen our business we are also firmly committed to bedding in strategies recently adopted that will further engrain the principle of the UNGC with our company.

GHD is a major international, professional services company built around strong core staff values and a sustainable business model which align very readily to the 10 Principles of UNGC. Our annual progress against these principles is contained in our 2014 Annual Review and 2014 Sustainability Report, both included as part of this document.

The table below is a COP 'road map' that correlates the GHD Annual Review and Sustainability Report to the UNGC 10 Principles. This year, we have also included in the COP, performance highlights for the 2013/14 financial year (i.e., the degree to which targets/performance indicators are met), relative to performance in the previous financial year. Full copies of GHD's Annual Review and Sustainability Report are available on ghd.com.

Statement of Continued Support for UNGC

GHD remains strongly committed to our alignment with the United Nations Global Compact (UNGC) 10 Principles while acknowledging the resilience to be achieved in striving for corporate sustainable leadership within our sphere of influence. This commitment includes an ongoing process of continuous improvement and open communication with stakeholders from all our people and management.

Yours faithfully
GHD Pty Ltd





Ian Shepherd
Chief Executive Officer

COP roadmap

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2014	2015	

Developing our people

We connect our people with a healthy, safe, diverse and rewarding career path. Our people feel valued and secure in their workplace.

	Principle 1 Principle 2 Principle 3 Principle 4 Principle 5 Principle 6	 	<p>Leadership and professional development</p> <p>The growth of talented career-oriented people enables us to deliver continuity and professionalism of services to our clients, both now and into the future. The GHD Business School continues to provide learning pathways to develop our people's talents while our technical conferences help us enhance technical leadership, bringing together senior leaders and younger talent across multiple disciplines and countries to share knowledge. Robust succession planning also occurs through a range of engagement activities with emerging and established leaders – both female and male.</p> <p>Graduate talent</p> <p>Despite economic cycles, GHD adopted a long-term view and provided career opportunities for more than 140 new graduates globally. GHD, Auckland Transport and Fulton Hogan received the Human Resources Institute of New Zealand's (HRINZ) HR Business Contribution of the Year Award 2013 for their Project New Grad program. The three-year program is a civil engineering graduate program in New Zealand where three graduates are recruited into the rotational program and spend a year at all three of the participating organisations.</p> <p>Mobility</p> <p>More than 95 transfers provided career development opportunities for people and enhanced capabilities for our clients. This is typically supplemented by 10-20 percent of people working in other offices, projects or client sites at any one time.</p> <p>Diversity</p> <p>We received Consult Australia's 2013 Gold Award for Diversity for our Women in GHD initiative and Indigenous Services Action Plan. We also won the Employer Choice Award for South Australia from the Defence Teaming Centre. In addition, our leadership in employing Indigenous cadets was recognised by CareerTrackers with a major partner award.</p>
--	--	---	--

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2013	2014	

Developing our people

We connect our people with a healthy, safe, diverse and rewarding career path. Our people feel valued and secure in their workplace.



				<p>Diversity continued</p> <p>More recently, GHD received the Employer of Choice for Gender Equality citation from the Australian Government's Workplace Gender Equality Agency. We are one of two companies in our industry and only 76 across Australia to have received this citation, which was given added impetus with the introduction of GHD's Diversity & Inclusion three year step up plan in 2014 and formation of our Diversity & Inclusion Group in Australia.</p> <p>Virtual communities</p> <p>We enable our practitioners to maximise the use of technology in the delivery of virtual training and in conducting virtual project and client meetings. Many of our technical groups, known as Service Lines, have utilised video connectivity technology to build more effective networks across our global practice. This has led to a more connected GHD and leverages the skills, knowledge and experience of our people irrespective of geography.</p> <p>Training activities</p> <p>During the year, we delivered 29,027 face-to-face and e-learning training activities.</p> <p>Smart Seeds innovation competition</p> <p>We continue to assist young professionals from a variety of organisations to learn and be inspired by solving challenges of the infrastructure industry.</p> <p>Technical conferences</p> <p>Held GHD Technical Conferences covering power generation and transmission, communication systems, Intelligent Transport Systems, security, water and desalination.</p>
--	--	--	--	--

COP roadmap

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2014	2015	

Contributing to our world positively

We care by minimising our ecological impact through resource efficiency and nature conservation initiatives, and by supporting communities through development initiatives and our GHD in the Community program.

	Principle 7 Principle 8 Principle 9	 	Environment <p>The GHD HSE risk assessment investigated GHD's environmental impact and identified those aspects of our business as having the greatest impact to develop an Environmental Stewardship Procedure. Initial implementation within Australia and the Philippines to date has enabled significant improvement against priority targets, including:</p> <ul style="list-style-type: none"> • 22 percent reduction in electricity consumption in four years • 29 percent reduction in paper following the Implementation of secure printing • 65 percent reduction in air travel related carbon from the introduction of video conferencing and Webex <p>We have also adopted accredited green power in Victoria, Newcastle and Sydney in Australia. Our Victorian operations now secure 50 percent of their electricity from renewable energy sources, while Newcastle and Sydney secure 25 percent. This allows us to reduce the greenhouse intensity of our energy consumption, and improve visibility of consumption through automated online monitoring.</p> GHD in the Community <p>Our Corporate Social Responsibility program, GHD in the Community (GITC), is designed to have a positive social and environmental impact on the communities around us. The program is driven by our people's interests and is based on partnering with not-for-profit organisations. This includes the provision of pro-bono services and the support of a range of community-based organisations for fundraising, volunteering, workplace support and engagement. Our people proudly consider, formally apply and then nurture GITC partnerships, making this program one of deep interest and personal pride amongst our teams. Our clients also play an important part in this program by highlighting their challenges or identifying opportunities for our assistance. We are grateful for their involvement which enables us to add value and a make a real difference to disadvantaged communities or causes. Projects of national or international significance that</p>
--	---	---	--

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2013	2014	

Contributing to our world positively

We care by minimising our ecological impact through resource efficiency and nature conservation initiatives, and by supporting communities through development initiatives and our GHD in the Community program.



				<p>help rebuild communities after disasters, assist with vital infrastructure or simply provide support to affect positive change are a key part of our approach to GITC.</p> <p>Flagship programs</p> <ul style="list-style-type: none"> MSABI – Our long-term support of this safe water, sanitation and hygiene initiative in Tanzania continues to change lives. Founded by one of our engineers, MSABI has provided access to safe water and sanitation to an estimated 85,000 people in the past five years and educated more than 350,000 people. As one of MSABI's strategic partners, we provide financial support and our people act as technical advisors, donating their time and skills to this respected program. Engineers Without Borders – Working with disadvantaged communities to improve their quality of life through education and engineering solutions is something that our people are passionate about. As part of our relationship with Engineers Without Borders (EWB) around the world, our people are involved in numerous programs to assist communities in Australia, Cambodia, Laos, India and the USA. This includes an ongoing involvement with Indigenous communities. RedR – In Australia, GHD has formalised its partnership with RedR, a leading humanitarian agency for international emergency relief. This enables us to continue the relationship our people began in 1992 to provide financial assistance and support for corporate activities. As part of the partnership, our people have the opportunity to train and pursue humanitarian and disaster relief roles with RedR. CareerTrackers – During 2014, GHD continued to provide internship placements and support for professional Indigenous university students through our association with CareerTrackers. This assistance helps them prepare for leadership in the workplace and the community. Today, GHD has 10 interns currently gaining experience in a variety of disciplines across the company.
--	--	--	--	--

COP roadmap

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2014	2015	

Contributing to our world positively

We care by minimising our ecological impact through resource efficiency and nature conservation initiatives, and by supporting communities through development initiatives and our GHD in the Community program.

	Principle 7 Principle 8 Principle 9	 	GHD in the Community continued Local programs – Inter-office <ul style="list-style-type: none"> Movember – In 2013/2014 GHD people around the world participated in this great initiative raising a total of AUD28,842 around the world. CANstruction – GHD people in opposite corners of the world – Canada and Australia – showed their support for CANstruction, an annual design and construction industry charity event where large structures are created entirely out of canned food. Our team in Canada created a design showing the four seasons, while our team in the Northern Territory constructed a rainbow serpent of the Indigenous Australian dreamtime stories. Australia <ul style="list-style-type: none"> Brotherhood of St Laurence – Our Victorian OC participated in a Christmas gift appeal for the BSL. In total, 13 boxes full of gifts from GHD were distributed. Cancer Council Australia – Kelvin Woods and Russell Clayton from our Perth office participated in a seven-day car rally as team ‘Thunderbox’ travelling more than 4000 km to raise funds for this worthy cause. Dragon Boating – GHD is an avid participant in dragon boating in both Australia and the UK, which raises funds for various charities. Dress for Success – GHD women in Sydney once again got behind this initiative that provides clothing and styling advice for women seeking to re-enter the workforce after periods of unemployment. More than 20 people donated clothes. International Women’s Day 2014 – In North Queensland, our people celebrated International Women’s Day with an inter-office flatpack challenge, where they assembled a complete bedroom suite which was donated to a local women’s shelter. Live for Kids – A group of GHD riders completed a six-day, 850 km bike ride from the Gold Coast to Newcastle
--	---	---	---

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2014	2015	

Contributing to our world positively

We care by minimising our ecological impact through resource efficiency and nature conservation initiatives, and by supporting communities through development initiatives and our GHD in the Community program.



				<p>in support of this charity and raised AUD18,000 in the process.</p> <ul style="list-style-type: none"> • Multiple Sclerosis (MS) – A team of 14 cyclists participated in the MS Gong ride recently, riding from Sydney to Wollongong to raise funds for people living with the disease. GHD was the sixth largest fundraiser in the engineering of the event. • Oxfam Trailwaker – Members of our Environment team in Melbourne participated in this annual 100 km walk to raise funds for people living in poverty. • Women's Property Initiative – We completed a pro-bono project in Victoria to provide a contamination assessment on a property earmarked for seven townhouses for disadvantaged women and children. <p>Canada</p> <ul style="list-style-type: none"> • Becel Heart & Stroke – A team of 18 cyclists from our Canada OC completed the 27th Becel Heart and Stroke Ride, a 50 or 75 km ride in Toronto. • Camp Oochigeas – 40 GHD people got involved in a 10 km run/walk event in Toronto to support this organisation that provides kids affected by cancer with a unique opportunity for growth. • Great Urban Race – A number of our YPs raced around Toronto recently in support of St Jude Children's Research Hospital in Memphis and Sick Kids Hospital in Toronto. • National Cupcake Day – GHD people in Canada's Whitby and Markham offices participated in National Cupcake Day in support of local animal shelters, SPCAs and Human Societies across Canada. • Sick Kids Foundation – We participated in the 19th annual Heatwave Beach Volleyball Corporate Team challenge in Toronto and raised funds for children with cancer.
--	--	--	--	--

COP roadmap

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2014	2015	

Contributing to our world positively

We care by minimising our ecological impact through resource efficiency and nature conservation initiatives, and by supporting communities through development initiatives and our GHD in the Community program.

	Principle 7 Principle 8 Principle 9	 	GHD in the Community continued Middle East <ul style="list-style-type: none"> Box Appeal – GHD continues to support this charity initiative that aims to provide everyday necessities to labourers in the Middle East. This year, we made donations that contributed to filling many boxes containing clothing and personal care items. New Zealand <ul style="list-style-type: none"> Habitat for Humanity – Our YPs in New Zealand are very involved with Habitat for Humanity having undertaken more than eight builds in 2014, donating their time and services to build homes for the disadvantaged. On a recent build, our YPs partnered with EWB. Indigenous Education Festival – YPs joined the Ngati Whatua Iwi (native Maori tribe) at a festival to raise awareness of education opportunities and promote career success. UK <ul style="list-style-type: none"> CRASH – Our people participated in the 15th London Construction Dragon Boating Challenge. Our team, known as the rouGHDiamonds took out first place ahead of 35 other teams and raised funds for charity CRASH, which improves the buildings used by homeless men and women. USA <ul style="list-style-type: none"> Adopt-A-Highway Cleanups – YPs from our Madison office have adopted a 3.2 km stretch of highway near the office which they are cleaning up during regular events. Engineering Week 2014 – In Guam, a number of our engineers visited middle and high schools to speak about the joys and challenges of the engineering profession. In total 43 presentations were made at 12 different schools.
--	---	---	---

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2014	2015	

Contributing to our world positively

We care by minimising our ecological impact through resource efficiency and nature conservation initiatives, and by supporting communities through development initiatives and our GHD in the Community program.



				<ul style="list-style-type: none"> Project Clean Stream – In Bowie, our YPs have participated in the Alliance for the Chesapeake Bay's tenth annual Project Clean Stream in Annapolis. The event brings volunteers together for the largest river and stream clean up even in the region, covering all stretches of the watershed. <p>Innovation</p> <p>The innovative spirit of our people plays an integral part in GHD's strategy. Our commitment to imaginative thinking and collaborative practices allows us to provide excellent solutions to our clients to drive greater value across their assets. GHD's award-winning innovation program provides the platform, processes and tools to help make innovation happen within our company and with our clients and partners. 2014 achievements include:</p> <ul style="list-style-type: none"> Sydney Water Malabar PARR Alliance – By using GHD's innovation framework and the PIVOT online idea management platform, our team enabled effective collaboration with many people and disciplines. This contributed to idea generation and assessment as part of delivering process and reliability/renewal improvements to the Malabar Wastewater Treatment Plant. StormDMT – Kostas Athanasiadis, one of GHD's senior industrial water engineers, proposed a new solution to filter out dissolved heavy metals from stormwater. The StormDMT product has now been implemented on various projects, and we have licensed it for manufacturing and distribution. Smart Seeds innovation competition – We continue to assist young professionals from a variety of organisations to learn and be inspired by solving challenges of the infrastructure industry.
--	--	--	--	---

COP roadmap

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2014	2015	

Demonstrating good governance



We commit to our values and policies. This is reflected in the way we manage our business and interact with our clients and our people.

	Principle 1			<p>Integrity</p> <p>GHD continued its journey toward greater integrity in 2014. Our efforts are managed by the GHD Integrity Management System which guides our people's conduct.</p> <p>As testament to our performance, the Australian Centre for Corporate Social Responsibility (ACCSR) annual survey of industry and organisations has placed GHD as a Top 10 organisation for corporate social awareness and implementation in Australia / New Zealand.</p> <p>Quality</p> <p>During the year, structured monitoring and reporting of key business performance targets has enabled clear minded decision making. This monitoring and reporting has assisted GHD's pursuit of continual improvement and provided a platform for a range of business efficiency initiatives. GHD's Quality Management System was recertified for a further three years by Lloyds Register Quality Assurance (LRQA) to international standard (ISO:9001).</p> <p>Leadership</p> <p>Validating our commitment to Corporate Social Responsibility (CSR), GHD was named one of the top to leaders in CSR in Australia and New Zealand by the Australian Centre for CSR.</p>
	Principle 2			
	Principle 3			
	Principle 4			
	Principle 5			
	Principle 6			
	Principle 7			
	Principle 8			
	Principle 9			
	Principle 10			

GHD 2014 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2014	2015	

Managing our risk

We understand our risk appetite and manage our business to maximise opportunities by identifying and managing material risks to an acceptable level in accordance with a risk management framework.



	Principle 1 Principle 7 Principle 8 Principle 9	 	<p>Risk</p> <p>With respect to risk, potential sources of events that may prevent GHD from achieving business objectives have been identified. This resulted in a revised Crisis and Emergency Management Plan.</p> <p>HSE Risk Assessment</p> <p>HSE lead and lag indicators have again experienced significant improvements this financial year against the previous year. This includes:</p> <ul style="list-style-type: none"> • 7.3 million hours Lost Time Injury (LTI) free • 67 percent reduction in Lost Time Injury Frequency Rate (LTIFR) (0.33 annualised) • 30 percent reduction in Total recordable incident • Frequency Rate (TFR) (1.2 annualised) • 33% increase in positive interactions including briefings, inspections and project HSE reviews <p>Our HSE culture continues to improve. The 2013 People Survey highlighted growth in people's belief that GHD is committed to their safety (94 percent – world class) and the environment (80 percent). GHD's HSE and management systems were recertified for a further three years by Lloyds Register to the relevant international standards (ISO and OHSAS) and Canada OC achieved 18001 certification. Incidents involving vehicles continue to be one of GHD's top three incident types. A review of all motor vehicle incidents and the processes used in OCs to manage GHD's fleet of vehicles was undertaken and a new Standard Operating Procedure – Vehicle Management was developed for Australia.</p> <p>These improvements aim to enable achievement of higher safety standards with newly purchased and hired vehicles required to achieve 4star Australian New Car Assessment Program (ANCAP) rating and Australian Government 5 star greenhouse gas rate to reduce environmental emissions.</p>
--	--	---	---

COP roadmap

GHD 2013 Annual Review <i>see ghd.com</i>	UNGC principles	Indication of outcomes		Performance highlights <i>For full details on GHD business practices, see GHD Sustainability Report: ghd.com</i>
		2013	2014	

Managing our risk

We understand our risk appetite and manage our business to maximise opportunities by identifying and managing material risks to an acceptable level in accordance with a risk management framework.





	Principle 1 Principle 7 Principle 8 Principle 9			Risk continued Projects <p>The National Safety Council of Australia recognised the Barwon Water Alliance, of which GHD was a member, by awarding the overarching Pinnacle Award for Excellence in Workplace Health and safety. The Alliance also won the award for Best Safety Leadership Program, was a finalist in the Best Continuous Improvement Award of a Work Health and Safety (WHS) Management System, and received a high commendation in the Best Health and Wellbeing Program category.</p>
--	--	---	---	--

Assisting our clients to be more sustainable

We create opportunities for our clients to enjoy prosperity and achieve sustainability goals with innovative ideas that embrace our sustainability principles.

	Principle 8 Principle 9			<p>The 2014 GHD Sustainability Report provides a snapshot of the kind of projects we have undertaken on behalf of clients and contributed positively to Sustainability. Those listed have been chosen for their diversity, rather than their size. See Report in full at ghd.com.</p>
--	----------------------------	---	---	--

Legend

-  Red: Serious deficiencies identified and corrective actions required immediately.
-  Amber: Minor deficiencies identified and corrective actions in place
-  Blue : Satisfactory but areas for improvement identified
-  Green: Excellent

COP roadmap





www.ghd.com